

# FINAL BILL REPORT

## SHB 2525

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C 192 L 10  
Synopsis as Enacted

**Brief Description:** Concerning public facilities districts.

**Sponsors:** House Committee on Community & Economic Development & Trade (originally sponsored by Representatives Nealey, Klippert, Chandler and Haler).

**House Committee on Community & Economic Development & Trade**  
**Senate Committee on Government Operations & Elections**  
**Senate Committee on Economic Development, Trade & Innovation**  
**Senate Committee on Ways & Means**

**Background:**

A Public Facilities District (PFD) is a municipal corporation with independent taxing authority and is a taxing district under the state Constitution. A PFD may be created by a city, group of cities, county, or a group of cities and a county. A PFD is governed by an appointed board of directors with varying. It is authorized to develop and operate regional centers and in the case of county PFDs, a recreational facility other than a ski resort.

In 2009 multi-city/county PFDs were authorized for jurisdictions that already had a PFD. These new PFDs were only allowed to develop and operate recreational facilities other than ski resorts. To approve a proposition, a majority of board members representing each city and county participating in the additional PFD must approve the proposition.

A PFD may impose a variety of taxes to fund its regional center or recreational facility. For example, a PFD may levy an admissions tax not exceeding 5 percent, a vehicle parking tax not exceeding 10 percent, and a voter-approved of up to 2 percent sales tax. A county PFD may also impose a voter-approved of up to 2 percent lodging tax.

**Summary:**

The authority to create new multi-city public facilities districts (PFDs) is limited. These PFDs may only be created by a group of at least three contiguous cities with a combined population of at least 160,000, each of which must have already established a PFD. A new multi-city PFD may, in addition to developing recreational facilities, develop regional centers including special events centers. A new multi-city PFD must specify the recreational facility

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or regional center to be funded in a sales and use tax proposal sent to the voters. No proposals may be submitted to the voters prior to January 1, 2011.

Multi-city PFDs are required to have the approval of a majority of board members from each participating jurisdiction only when submitting tax propositions to the voters.

**Votes on Final Passage:**

House	97	0	
Senate	47	0	(Senate amended)
House	94	1	(House concurred)

**Effective:** June 10, 2010